



Libby Asbestos Superfund Site
Libby, Montana

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Questions and Answers on the Grace Civil Suit Settlement

Q: Can this money be used for health care for Lincoln County residents afflicted with Asbestos Related Disease?

A: Unfortunately, no. The money must be used for expenditures related only to the Libby Asbestos Superfund Site, such as recouping past cleanup costs, paying for future cleanup work, helping with the Operations and Maintenance of the remedy, and paying for future site-specific investigations.

Q: When will the EPA receive this money?

A: The agreement provides that EPA will receive the money within 30 days of Bankruptcy Court Approval. There are various legal hoops to jump through before the settlement can be approved, but EPA is hoping to be able to access the money sometime before this fall.

Q: Will any of this money be used for Operations & Maintenance of the Superfund remedy after EPA leaves town?

A: \$11M of this settlement will immediately be set aside for O&M and begin accruing interest in a special account. The amount of money reserved for O&M could be adjusted at the time of the Record of Decision (ROD).

Q: Grace has declared bankruptcy. Will the government have to stand in line with the rest of their creditors to get the cash?

A: No, the federal government can receive its cash immediately after the court approves the settlement, because the government took a "discount" on the settlement in order to gain this position.

Q: In 2003, the government was awarded \$54M from a claim against Grace, but wasn't allowed to collect because of the bankruptcy proceedings. Does this new settlement include this initial award?

A: As the word implies, this new amount of money is a settlement of all cleanup expense claims against Grace. There will not be an additional \$54M on top of the \$250M.

Q: Will this \$250M cover the complete cost of the cleanup in Libby?

A: That remains to be seen, but EPA thinks this settlement will cover the cost of the cleanup as well as Operations and Maintenance. The \$239M (\$11M in a separate account for O&M) will first be used for future cleanups and site-specific investigations. It should also be noted that this money will not be used for the remediation of the Mine site, which is Operable Unit 3 (OU 3). W.R. Grace is paying for the work at the Mine under a separate agreement with EPA.

Q: Will receiving this money mean that more than the usual \$17M will be spent on the Libby cleanup each year? For example, will you be able to clean up the Cabinet View Golf Course this year?

A: Realistically, EPA may not get the money soon enough to use it this year. But, if the design and work plan for the golf course can be completed in time for this year's construction season and EPA receives the money in time, EPA will consider that and possibly other additional projects. EPA also believes there is a limit to how much construction activity the citizens and local infrastructure can tolerate, however, in a recent survey citizens responded that they'd be willing to put up with more truck traffic, etc. if more work could be completed each year.

Q: Is the State of Montana participating in this settlement?

A: Montana is not a part of this settlement agreement at this time. The State has filed their own claim against Grace. Please contact the State for more information on this topic.